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**CASELOAD REDUCTION REPORT**

**ALL FAMILY CASELOAD - FY 2001**

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**Michigan Family Independence Agency**

**December, 2000**

# MICHIGAN CASELOAD REDUCTION REPORT ALL FAMILIES - FY 2001

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# FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

All Families FY 2001

State	MICHIGAN - ALL FAMILIES		Fiscal Year 2001
PART I – Implementation of All Eligibility Changes Made by the State Since FY 1995			
#	Eligibility Change	Implementation Date	Estimated Impact on Caseload Since Change (positive or negative impact)
Changes Required by Federal Law			
97-3	Minor parents must live with a parent or adult to be eligible for cash assistance.	10/01/96	The net caseload impact is a monthly average of -50.
97-4	Two policy changes that affect aliens are grouped together. 1. A 5-year ban for certain aliens. 2. Deeming of assets and income was discontinued.	10/01/96	0
97-5	Criminal justice disqualifications.	10/01/96	The net caseload impact is a monthly average of -3.
97-8	IPV penalties are changed as follows: • 1st offense = 1 year ineligibility • 2nd offense = 2 years ineligibility • 3rd offense = lifetime ineligibility	1/01/97	The net caseload impact is a monthly average of -37.
97-10	Changes in Work First penalties: • Case closure if failure to participate in the first 2 months of eligibility • After the first 2 months, the time in sanction status before case closure changed from 12 months to 4 months.	4/01/97	The net caseload impact is a monthly average of -91.
98-2	Drug felons in violation of parole are disqualified.	10/01/97	The net caseload impact is a monthly average of -3.
98-6	Amerasians and Cuban/Haitian entrants are now eligible for FIP retroactive to 10/01/96 without the 5 year disqualification period.	11/01/97	0
99-2	Status of eligible aliens has been expanded.	11/01/98	0
2000-1	Cross matches are now being done on FIP recipients over 15 years of age with records of incarcerated individuals in federal, state or local correctional facilities.	10/01/99	0
2000-2	The federal work participation requirement has increased to 30 hours per week for mandatory single parents.	10/01/99	0

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#	Eligibility Change	Implementation Date	Estimated Impact on Caseload Since Change (positive or negative impact)		
2000 -10	Electronic Benefits Transfer (EBT) piloted in Jackson County. Roll out will continue through 2001.	6/01/2000	0		
State-Implemented Changes					
Changes Related to Income and Resources					
96-1	Self-employed assets excluded.	10/01/95	0		
97-1	Dependent care deduction eliminated.	11/01/96	The net caseload impact is a monthly average of -100.		
97-12	The following budgeting changes were made: 1. Gross income test eliminated. 2. Standard work expense eliminated. 3. Need standard eliminated.	7/01/97	0		
97-13	The following asset changes were made: 1. The only assets considered for eligibility are cash, investments, retirement funds and trusts. 2. Lump sums are considered assets and not income. 3. Sale of homestead funds are excluded for 12 months instead of 6 months.	7/01/97	The net caseload impact is a monthly average of +84.		
97-14	The following income exclusions were added: 1. Child support refunds and reimbursements. 2. Adoption subsidies. 3. Earnings of students under age 18.	7/01/97	0		
98-7	Child support arrearages are now an allowable deduction from income for FIP.	4/01/98	0		
99-4	Individual Development Accounts (IDA) are excluded when calculating budgets for FIP eligibility.	8/01/99	0		

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#	Eligibility Change	Implementation Date	Estimated Impact on Caseload Since Change (positive or negative impact)		
2000-5	The payment standard for FIP/RAP cases was raised by \$3.00 for adults not able to work and ineligible grantee cases.	10/01/99	0		
2000-6	Temporary ineligibility periods now limited to one month for FIP, SDA and Food Stamps.	1/01/2000	0		
2000-7	The assets of domestic violence victims may be excluded for three months.	1/01/2000	0		
<u>Changes Related to Categorical or Demographic Eligibility Factors</u>					
97-7	Applicants who enter Michigan for a job, but do not intend to stay, are not eligible for cash assistance.	10/01/96	The net caseload impact is a monthly average of -78.		
<u>Changes Related to Behavioral Requirements</u>					
97-2	Joint orientation is a condition of eligibility.	10/01/96	The net caseload impact is a monthly average of -696.		
98-1	School attendance is required of teens and minor parents.	10/01/97	The net caseload impact is a monthly average of -5.		
2000-4	Drug testing policy implemented in select pilot counties. This policy is under court injunction.	10/01/99	0		
2000-8	Minor parents who have not completed high school and are not attending school must participate in Work First activities as assigned by the Michigan Works! Agency.	10/01/99	0		
<u>Changes Due to Full-Family Sanctions</u>					
97-10	Changes in Work First penalties: <ul style="list-style-type: none"><li>• Case closure if failure to participate in the first 2 months of eligibility.</li><li>• After the first 2 months, the time in sanction status before case closure changed from 12 months to 4 months.</li></ul>	4/01/97	The net caseload impact is a monthly average of -91.		

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State	MICHIGAN - ALL FAMILIES		Fiscal Year 2001
PART I – Implementation of All Eligibility Changes Made by the State Since FY 1995			
#	Eligibility Change	Implementation Date	Estimated Impact on Caseload Since Change (positive or negative impact)
97-15	Case closure after 4 months of child support disqualification.	7/01/97	The net caseload impact is a monthly average of -30.
98-4	FIP penalty for refusing employment is ineligibility for one month.	11/01/97	0
98-5	Minor parents who fail to attend orientation are disqualified. Cases are closed or applications are denied.	11/01/97	0
99-1	Non-compliance without good cause in the first 2 months of FIP results in closure immediately following timely notice.	10/01/98	0
2000-3	Negative Action Code 407 was added as a sanction.	10/01/99	-67
2000-9	In a 2-parent family, either parent can end a non-compliance penalty by meeting 35/55 hour work requirement.	4/01/2000	0
Other Eligibility Changes			
96-2	Verification of death/absence no longer required.	10/01/95	0
97-6	Caretaker who fails to notify FIA of a child's absence is disqualified for one month.	10/01/96	0
97-9	Changes to the monthly reporting policy for cases with earned income.	4/01/97	0
97-11	Group composition changes.	7/01/97	0
98-3	Monthly reporting is discontinued. Clients are no longer required to turn in a monthly report of earnings.	11/01/97	0
99-3	Teens and minor parents can now meet participation requirements through 20 hours a week in employment-related educational	4/01/99	0
99-5	Expanded options for education and training programs.	8/01/99	0

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State		MICHIGAN - ALL FAMILIES		Fiscal Year 2001	
PART I – Implementation of All Eligibility Changes Made by the State Since FY 1995					
#	Eligibility Change		Implementation Date	Estimated Impact on Caseload Since Change (positive or negative impact)	
	Estimated Total Net Impact on the Caseload of All Eligibility Changes		-1,077		
	Total Prior Year Caseload (FY 2000)		72,697		
	Estimated Caseload Reduction Credit		63%		

# FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

All Families FY 2001

State		MICHIGAN - ALL FAMILIES						Fiscal Year 2001					
PART II – Application Denials and Case Closures, By Reason													
				Fiscal Year 1995				Fiscal Year 2000					
Reason for Application Denials				Number		Percentage		Number		Percentage			
APPLICATION DENIALS													
Application FIP Non-Approvals (from MH-535) Reason for Denial	FY 1995		FY 1996		FY 1997		FY 1998		FY 1999		FY 2000		
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	
Excess Income	24,345	36.82%	26,932	39.13%	25,493	37.28%	27,928	42.69%	30,838	43.55%	34,970	45.99%	
Excess Resource	2,098	3.17%	2,132	3.10%	1,191	1.74%	436	0.67%	382	0.54%	416	0.55%	
Assistance from another State	367	0.56%	237	0.34%	245	0.36%	130	0.20%	121	0.17%	128	0.17%	
Excess Resource-Sec of State	32	0.05%	30	0.04%	23	0.03%	11	0.02%	0	0.00%	0	0.00%	
Excess Resource-Mesc Match	8	0.01%	9	0.01%	8	0.01%	6	0.01%	41	0.06%	41	0.05%	
Third Party Resource	5	0.01%	9	0.01%	7	0.01%	5	0.01%	19	0.03%	25	0.03%	
Minor Parent Ref Liv with Parent	69	0.10%	84	0.12%	275	0.40%	319	0.49%	340	0.48%	271	0.36%	
Living in Institution	29	0.04%	36	0.05%	42	0.06%	47	0.07%	29	0.04%	31	0.04%	
Child Not Deprived	577	0.87%	423	0.61%	338	0.49%	110	0.17%	0	0.00%	0	0.00%	
Invalid Relationship	434	0.66%	470	0.68%	471	0.69%	196	0.30%	0	0.00%	0	0.00%	
Group Member Disqualified	0	0.00%	0	0.00%	10	0.01%	9	0.01%	16	0.02%	10	0.01%	
Failed to Cooperate w Child Support	0	0.00%	0	0.00%	19	0.03%	203	0.31%	135	0.19%	169	0.22%	
Not Going to School	18	0.03%	17	0.02%	42	0.06%	97	0.15%	45	0.06%	34	0.04%	
Not a Resident of Michigan	176	0.27%	185	0.27%	434	0.63%	318	0.49%	264	0.37%	273	0.36%	
Not a Citizen	104	0.16%	135	0.20%	219	0.32%	228	0.35%	204	0.29%	226	0.30%	
Failed Other Non-financial Req.	4,456	6.74%	4,600	6.68%	4,346	6.36%	4,262	6.52%	3,655	5.16%	4,216	5.54%	
Refused to Register for WIN	47	0.07%	94	0.14%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
Failure to Attend Orientation	0	0.00%	0	0.00%	12,494	18.27%	12,578	19.23%	16,948	23.94%	18,211	23.95%	
Reg Not Current at MESC	19	0.03%	20	0.03%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
Refused Employment-MESC	4	0.01%	5	0.01%	354	0.52%	616	0.94%	980	1.38%	1,135	1.49%	
Refused Employment-not MESC	84	0.13%	90	0.13%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
Refused Training or Education	37	0.06%	71	0.10%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	
Failed to Provide Required Verification	33,216	50.23%	33,256	48.31%	22,367	32.71%	17,915	27.39%	16,791	23.71%	15,838	20.83%	
Refused Drug Test											45	0.06%	
TOTAL DENIED	66,125	100.00%	68,835	100.00%	68,378	100.00%	65,414	100.00%	70,808	100.00%	76,039	100.00%	



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Reasons for Case Closures			Number		Percentage		Number		Percentage				
FIP CASE CLOSURES													
Negative Action Code	FIP Closures Annual Closing Report DQ-162 Reason for case closure	FY 1995		FY 1996		FY 1997		FY 1998		FY 1999		FY 2000	
		Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
001	No longer legal resident	3,222	2.70%	3,028	2.68%	1,874	2.32%	2,329	2.14%	1,604	1.75%	1,420	1.81%
002	Citizenship requirement not met	7	0.01%	5	0.00%	6	0.01%	20	0.02%	13	0.01%	14	0.02%
003	Child under age six is not immunized	1	0.00%	1	0.00%	1	0.00%	4	0.00%	2	0.00%	2	0.00%
004	Eligible child 18-20 not in school	554	0.46%	460	0.41%	245	0.30%	461	0.42%	379	0.41%	339	0.43%
005	Family member reached age 21	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
007	Relative dependent reached age 21	59	0.05%	58	0.05%	36	0.04%	0	0.00%	0	0.00%	0	0.00%
008	Child not living with specified relative	266	0.22%	234	0.21%	143	0.18%	221	0.20%	0	0.00%	0	0.00%
012	Child age 18, will not complete HS before 19	622	0.52%	512	0.45%	306	0.38%	169	0.16%	129	0.14%	90	0.11%
013	Parents no longer estranged	393	0.33%	274	0.24%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
014	Parent no longer in prison, hosp, inst, mil	8	0.01%	10	0.01%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
015	Child age 18, has completed HS	553	0.46%	485	0.43%	138	0.17%	458	0.42%	310	0.34%	218	0.28%
016	Child not deprived due to unemployment	24	0.02%	5	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
017	Parent no longer incapacitated	2	0.00%	4	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
020	Death of only eligible member	0	0.00%	0	0.00%	1	0.00%	2	0.00%	2	0.00%	2	0.00%
021	Decreased need-death of family member	378	0.32%	319	0.28%	200	0.25%	263	0.24%	238	0.26%	205	0.26%
022	Decreased need-family member left home	2,998	2.51%	2,754	2.44%	1,836	2.27%	2,928	2.70%	2,378	2.60%	2,118	2.69%
023	Decreased need-shelter expense decrease	0	0.00%	0	0.00%	0	0.00%	1	0.00%	0	0.00%	0	0.00%
024	Decreased need-no longer paying utilities	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
025	Failure to attend joint orientation	0	0.00%	0	0.00%	123	0.15%	399	0.37%	387	0.42%	383	0.49%
026	New county has lower shelter/heat amount	56	0.05%	50	0.04%	34	0.04%	17	0.02%	6	0.01%	6	0.01%
029	Medical trans allow reduced/terminated	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
030	Children removed from home by court action	1,533	1.28%	1,455	1.29%	1,018	1.26%	1,475	1.36%	1,443	1.58%	1,239	1.58%
031	Minor parent refused to attend school	0	0.00%	0	0.00%	22	0.03%	52	0.05%	34	0.04%	18	0.02%
032	Caretaker not report child's absence in timely manner	0	0.00%	0	0.00%	12	0.01%	35	0.03%	47	0.05%	54	0.07%
035	Increased earnings-unsubsidized source	29,982	25.10%	28,505	25.24%	23,990	29.73%	50,122	46.14%	44,139	48.28%	37,784	48.07%
036	Increased earnings-subsidized source	89	0.07%	95	0.08%	145	0.18%	223	0.21%	217	0.24%	140	0.18%
038	Fugitive felon in the home	0	0.00%	0	0.00%	9	0.01%	16	0.01%	18	0.02%	12	0.02%
041	Increased support-absent parent returned	62	0.05%	63	0.06%	38	0.05%	112	0.10%	64	0.07%	79	0.10%
042	Beginning/increase income not covered above	390	0.33%	356	0.32%	213	0.26%	378	0.35%	492	0.54%	664	0.84%
043	Increased income-absent spouse (non-parent) returned	45	0.04%	43	0.04%	23	0.03%	33	0.03%	44	0.05%	35	0.04%
044	Increased support-from absent parent	1,381	1.16%	1,362	1.21%	1,053	1.30%	1,604	1.48%	1,253	1.37%	695	0.88%
046	Increased support-from other person	102	0.09%	81	0.07%	71	0.09%	125	0.12%	87	0.10%	35	0.04%
047	Increased income-RSDI or RR benefits	780	0.65%	607	0.54%	430	0.53%	571	0.53%	516	0.56%	501	0.64%
048	Parole/probation violator	0	0.00%	0	0.00%	2	0.00%	27	0.02%	18	0.02%	16	0.02%
049	Decreased need-family member receiving SSI	318	0.27%	263	0.23%	153	0.19%	253	0.23%	175	0.19%	201	0.26%
050	Increased income-receipt/increased VA benefits	13	0.01%	16	0.01%	21	0.03%	16	0.01%	8	0.01%	6	0.01%
052	Increased income-receipt/increased UC benefits	550	0.46%	634	0.56%	379	0.47%	363	0.33%	218	0.24%	173	0.22%
053	MOST sanction	0	0.00%	94	0.08%	461	0.57%	435	0.40%	0	0.00%	0	0.00%
054	Increased income-receipt/increased workers comp	222	0.19%	283	0.25%	196	0.24%	89	0.08%	72	0.08%	57	0.07%
055	MOST Waiver	108	0.09%	311	0.28%	236	0.29%	70	0.06%	0	0.00%	0	0.00%
056	Increased income-other federal programs	152	0.13%	139	0.12%	95	0.12%	204	0.19%	169	0.18%	153	0.19%

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Negative Action Code	FIP Closures Annual Closing Report DQ-162 Reason for case closure	FY 1995		FY 1996		FY 1997		FY 1998		FY 1999		FY 2000	
		Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
057	Increased income-other state/local program	43	0.04%	57	0.05%	38	0.05%	87	0.08%	92	0.10%	62	0.08%
058	Increased income-from non-govt programs	76	0.06%	75	0.07%	35	0.04%	31	0.03%	27	0.03%	23	0.03%
059	Increased income-receipt of strike benefits	1	0.00%	1	0.00%	0	0.00%	1	0.00%	1	0.00%	0	0.00%
060	Increased income-MESC tape match	684	0.57%	969	0.86%	565	0.70%	450	0.41%	190	0.21%	56	0.07%
061	Case income no longer diverted	3	0.00%	1	0.00%	1	0.00%	0	0.00%	0	0.00%	0	0.00%
062	Divestment	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	152	0.19%
063	Increased receipt of assets	631	0.53%	571	0.51%	325	0.40%	325	0.30%	226	0.25%	0	0.00%
064	Divestment of assets-only to remain eligible	13	0.01%	9	0.01%	7	0.01%	3	0.00%	0	0.00%	0	0.00%
065	Undeclared vehicle ownership	27	0.02%	24	0.02%	12	0.01%	0	0.00%	0	0.00%	0	0.00%
066	Failed to cooperate paternity/support 4 cons months	0	0.00%	0	0.00%	0	0.00%	110	0.10%	390	0.43%	319	0.41%
067	Failed to cooperate paternity/support member removal	0	0.00%	0	0.00%	0	0.00%	1	0.00%	3	0.00%	0	0.00%
070	Failed to cooperate in securing support	41	0.03%	38	0.03%	29	0.04%	148	0.14%	75	0.08%	70	0.09%
072	Refused to identify 3rd party medical	3	0.00%	8	0.01%	3	0.00%	5	0.00%	5	0.01%	4	0.01%
073	Minor parent refused to live with parent/guardian	24	0.02%	35	0.03%	19	0.02%	11	0.01%	9	0.01%	4	0.01%
074	Earned income disregard expired	6	0.01%	5	0.00%	4	0.00%	0	0.00%	0	0.00%	0	0.00%
075	Income disregard converted-old to new, vice versa	41	0.03%	9	0.01%	5	0.01%	0	0.00%	0	0.00%	0	0.00%
076	MOST sanction	136	0.11%	3	0.00%	4	0.00%	122	0.11%	0	0.00%	0	0.00%
077	Monthly report returned late	727	0.61%	695	0.62%	385	0.48%	2	0.00%	0	0.00%	0	0.00%
078	Refused to apply for or accept UCB	71	0.06%	73	0.06%	26	0.03%	17	0.02%	19	0.02%	7	0.01%
079	Sanctioned-MCC or other subsidized employment	15	0.01%	2	0.00%	0	0.00%	21	0.02%	0	0.00%	0	0.00%
080	Sanctioned-failed to comply with MOST prog requirements	12	0.01%	2	0.00%	1	0.00%	32	0.03%	0	0.00%	0	0.00%
081	Refused to accept/complete voc rehab program	2	0.00%	1	0.00%	2	0.00%	3	0.00%	0	0.00%	0	0.00%
082	Refused treatment (physical/psychiatric)	1	0.00%	1	0.00%	0	0.00%	4	0.00%	0	0.00%	0	0.00%
083	Refused to provide soc security number info	44	0.04%	51	0.05%	45	0.06%	61	0.06%	41	0.04%	21	0.03%
084	Failed to provide info to verify eligibility	1,192	1.00%	1,102	0.98%	767	0.95%	2,047	1.88%	2,365	2.59%	2,115	2.69%
085	Failed to provide info for continued eligibility	3,857	3.23%	3,870	3.43%	2,497	3.09%	4,524	4.16%	3,769	4.12%	2,770	3.52%
086	Failed to return redetermination form	5,770	4.83%	5,216	4.62%	3,803	4.71%	5,838	5.37%	4,659	5.10%	3,080	3.92%
087	Failed to submit income verification	1,713	1.43%	1,980	1.75%	1,413	1.75%	2,685	2.47%	2,321	2.54%	1,639	2.09%
088	Failed to comply with other procedural requirements	180	0.15%	148	0.13%	86	0.11%	278	0.26%	197	0.22%	221	0.28%
089	Discont at recipients verbal request	4,731	3.96%	3,753	3.32%	2,430	3.01%	3,740	3.44%	2,925	3.20%	2,290	2.91%
090	Discont at recipients written request	3,771	3.16%	3,413	3.02%	1,895	2.35%	2,398	2.21%	1,728	1.89%	1,433	1.82%
091	Unable to locate	1,866	1.56%	1,718	1.52%	1,279	1.58%	3,261	3.00%	2,627	2.87%	2,236	2.85%
092	Approved for assistance in another state	158	0.13%	162	0.14%	94	0.12%	101	0.09%	76	0.08%	61	0.08%
093	Change in law or agency policy	27	0.02%	19	0.02%	72	0.09%	113	0.10%	75	0.08%	43	0.05%
094	Intentional Program Violation	0	0.00%	0	0.00%	17	0.02%	60	0.06%	68	0.07%	37	0.05%
098	Other reason not above	6,987	5.85%	6,212	5.50%	3,986	4.94%	6,984	6.43%	7,576	8.29%	6,475	8.24%
111	Monthly eligibility/income report not returned	32,339	27.08%	30,567	27.06%	19,608	24.30%	3,253	2.99%	0	0.00%	0	0.00%
402	Duplicate receipt of assistance	0	0.00%	0	0.00%	1	0.00%	3	0.00%	19	0.02%	3	0.00%
403	Participation Penalty after 1st 2 mo of assistance	0	0.00%	0	0.00%	3	0.00%	558	0.51%	817	0.89%	1,417	1.80%
404	Failure to participate MOST/WF 1st 4 consecutive months	0	0.00%	0	0.00%	5	0.01%	1,686	1.55%	1,453	1.59%	963	1.23%
405	Failure to participate MOST/WF 1st 2 months	0	0.00%	0	0.00%	9	0.01%	2,013	1.85%	2,049	2.24%	2,668	3.39%
407	Refused Suitable Employment w/o good cause	2,754	2.31%	2,834	2.51%	2,365	2.93%	1,516	1.40%	871	0.95%	1,615	2.05%
408	Penalty-failure to participate-summer project w/o cause											11	0.01%
409	Closure-failure to participate-summer project during penalty											112	0.14%
605	Drug/substance abuse failure after first 2 months											0	0.00%

# FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

All Families FY 2001

Negative Action Code	FIP Closures Annual Closing Report DQ-162 Reason for case closure	FY 1995		FY 1996		FY 1997		FY 1998		FY 1999		FY 2000	
		Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
606	Drug/substance abuse failure after 4 consecutive months											0	0.00%
607	Substance abuse failure during first 2 months											3	0.00%
608	Failure or refusal to test for illegal drug use											0	0.00%
609	Change in employability status											2	0.00%
ZZZ	Zero warrant close	2,754	2.31%	2,834	2.51%	2,365	2.93%	1,516	1.40%	871	0.95%	629	0.80%
	Exceptions	3,857	3.23%	3,993	3.53%	2,995	3.71%	1,145	1.05%	1,408	1.54%	1,394	1.77%
	TOTALS	119,427	100%	112,957	100%	80,706	100%	108,628	100%	91,414	100%	78,594	100.00%

**FORM ACF-202 – TANF CASELOAD REDUCTION REPORT**

All Families FY 2001

<b>State</b>	<b>MICHIGAN - ALL FAMILIES</b>	<b>Fiscal Year 2001</b>
<b>Part III – Description of the Methodology Used to Calculate the Caseload Reduction Estimates</b> <b>(attach supporting data to this form)</b>		
<ul style="list-style-type: none"><li>• Caseload Reduction Credit Methodology, <a href="#">page 11</a>.</li><li>• List of Eligibility Changes with Discussion/Explanation, <a href="#">page 12</a>.</li><li>• Supporting Spreadsheet with Caseload Impacts, <a href="#">page 23</a>.</li></ul>		

**CASELOAD REDUCTION CREDIT METHODOLOGY**

The following points explain the methodology used in calculating the caseload reduction credits for FY 2001:

1. Changes in State or Federal eligibility rules are excluded in calculating the caseload reduction credit. These caseload increases and decreases will be taken into account to establish a net caseload impact, which is a monthly average amount.
2. Application denials and case closures are not always calculated as 100% of the actual numbers. It is assumed that a great majority of recipients whose applications are denied or cases closed for non-compliance will eventually meet requirements and be approved or reinstated. The discussion included with each eligibility change states the percentage of the reduction associated with each change.
3. The resulting reduced number of denials and closures are accumulated over the number of months in which the change has been in place. Reporting for FY 1999, the average monthly impact reflects 24 months or the number of months the policy was in place. For FY 2000 the average monthly impact reflects 36 months or the number of months the policy was in place. For FY 2001, the yearly average of the change is reflected, and added to the previous years' total.
4. The accumulated number of denials, closures or caseload increases as described above is then calculated as a monthly average. The resulting figure is used in calculating the caseload reduction factor. This calculation is done following guidelines in the federal register, instructions for completing Form ACF-202 and guidance provided in policy announcement NO. TANF-ACF-PA-99-2 (11/5/99).
  - Closure data is available for two-parent families. That data was used for the two-parent calculations.
  - Denial data is not available for two-parent families. Denials for two-parent families were calculated based on the proportion of two-parent families to the total all family caseload.
  - Based on this proportion, the two-parent family caseload impacts may show as a part of a case. These partial case impacts are added and rounded for the estimated caseload reduction credit.
  - Cumulative caseload impacts were calculated for all the policy changes except 97-8 (IPV penalties) which has a 12 month impact due to the nature of the policy.
5. The Michigan Family Independence Agency is submitting two reports. For reporting year FY 2001 there are two completed ACF 202s, one for all families and the second for two-parent families. The two-parent families were 3.05% of all families in FY 2000 according to TANF aggregate data.

## FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

All Families FY 2001

### FY 1996

- 96-1**     Policy: Self-employment assets excluded.  
Implementation Date: 10/01/95  
Caseload Impact: 0  
Discussion: The number of clients affected by this policy is insignificant. A demonstration project in Detroit had 2-4 participants over a multi-year period of time.
- 96-2**     Policy: Verification of death/absence no longer required.  
Implementation Date: 10/01/95  
Caseload Impact: 0  
Discussion: This policy change was made for program simplification. There is no caseload impact associated with no longer verifying death/absence.

### FY 1997

- 97-1**     Policy: Dependent care deduction eliminated.  
Implementation Date: 11/01/96  
Caseload Impact:
  - -600 cases per year
  - Based on this number the net caseload impact is a monthly average of -100.Discussion: When the dependent care deduction was eliminated, about 12,000 cases were converted. About 600 cases were closed to cash assistance due to losing this deduction. The assumed caseload impact of this change is -600 cases per year.
- 97-2**     Policy: Joint orientation is a condition of eligibility.  
Implementation Date: 10/01/96

## FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

All Families FY 2001

### Caseload Impact:

- There were 12,494 denials and 123 closures in FY 1997. There were 12,578 denials and 399 closures in FY 1998. There were 16,948 denials and 387 closures in FY 1999. There were 18,211 denials and 371 closures in FY 2000.
- Based on these numbers the net caseload impact is -696.

### Discussion: Assumptions made in computing the caseload impact are:

- 50% of the cases closed for not attending joint orientation will reapply and be found eligible for cash assistance.
- 75% of the denials for not attending joint orientation will reapply and be found eligible for cash assistance.

**97-3**

Policy: Minor parents must live with a parent or adult to be eligible for cash assistance.

Implementation Date: 10/01/96

### Caseload Impact:

- There were 276 denials and 19 closures in FY 1997. There were 319 denials and 11 closures in FY 1998. There were 340 denials and 9 closures in FY 1999. There were 271 denials and 4 closures in FY 2000.
- Based on these numbers the net impact is -50.

Discussion: The caseload impact reflects all of the closures and denials due to this policy.

**97-4**

Policy: Two policy changes that affect aliens are grouped together.

1. A 5-year ban for certain aliens.
2. Deeming of assets and income was discontinued.

Implementation Date: 10/01/96

Caseload Impact: 0

Discussion: Each of these changes affect a very small population. The 5-year ban results in an insignificant caseload increase. Deeming of assets results in an insignificant caseload decrease. The combined balance of these two changes results in no caseload impact.

**97-5**

Policy: Criminal justice disqualifications.

Implementation Date: 10/01/96

## FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

All Families FY 2001

### Caseload Impact:

- There were 9 closures in FY 1997, 16 closures in FY 1998, 18 closures in FY 1999 and 12 closures in FY 2000.
- Based on these numbers the net impact is -3.

Discussion: All of the case closures due to criminal justice disqualifications are reflected in the caseload impact.

**97-6** Policy: Caretaker who fails to notify FIA of a child's absence is disqualified for one month.

Implementation Date: 10/01/96

Caseload Impact: 0

Discussion: This policy change affects an insignificant number of cases. Disqualifying the caretaker for one month does not increase or decrease the caseload.

**97-7** Policy: Applicants who entered Michigan for a job, but do not intend to stay, are not eligible for cash assistance.

Implementation Date: 1/01/97

Caseload Impact:

- There were 434 denials in FY 1997, 318 denials in FY 1998, 264 denials in FY 1999 and 273 denials in FY 2000.
- Based on these numbers the net impact is -78.

Discussion: The caseload impact assumes that 25% of the denials for non-residence in Michigan are due to this policy.

**97-8** Policy: IPV penalties are changed as follows:

- 1st offense = 1 year ineligibility
- 2nd offense = 2 years ineligibility
- 3rd offense = lifetime ineligibility

Implementation Date: 1/01/97

Caseload Impact:

- There were 17 closures in FY 1997, 60 closures in FY 1998, 68 closures in FY 1999, and 37 closures in FY 2000.
- Based on these numbers the net impact is -37.

Discussion: The caseload impact is based on the case closures associated with IPV's. Assuming that most of the closures are 1st offenses results in a one year impact.



## FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

All Families FY 2001

**97-9** Policy: Changes to the monthly reporting policy for cases with earned income.

Implementation Date: 4/01/97

Caseload Impact: 0

Discussion: One of the reasons this change was made was the revolving door created by monthly reporting. Cases were closed for procedural reasons and, because they were still eligible, came back in and were re-opened. The assumption of no caseload impact recognizes that cases closed for these procedural reasons were quickly reinstated.

**97-10** Policy: Changes in Work First penalties:

- Case closures if failure to participate in the first 2 months of eligibility.
- After the first 2 months, the time in sanction status before case closure was changed from 12 months to 4 months.

Implementation Date: 4/01/97

Caseload Impact:

- There were 152 closures in FY 1997, 2,013 closures in FY 1998, 2,049 closures in FY 1999 and 2,471 closures in FY 2000.
- Based on these numbers the net impact is -91.

Discussion:

- The caseload impact of case closures in the first 2 months of eligibility is reflected above. The impact assumes that 25% of the closures remain off and 75% return to cash assistance.
- The change in time in sanction status before case closure increased the time before a case is closed for non-compliance but does not create new case closures. The policy for case closure due to non-compliance was already in place. There are no new case closures that result from this change.

**97-11** Policy: Group composition changes:

1. Dependent child definition changed to include 18 and 19 year olds attending high school and expected to graduate by age 20.
2. Parent or step-parent in the home must be the caretaker.
3. Caretaker expanded to include alleged father, unrelated legal guardian or unrelated adult pending legal guardianship.
4. Caretakers applying for 2 or more children not related to each other must now be in one group.

Implementation Date: 7/01/97

## FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

All Families FY 2001

Caseload Impact: 0

Discussion:

- Changes 1 and 2 affect a very small number of cases. The dependent child definition results in an insignificant caseload increase. The change on parents or step-parents results in an insignificant caseload decrease. The combined balance of these two changes results in no caseload impact.
- The number of cases affected by changed 3 and 4 is insignificant. These changes were made for purposes of program simplicity. The caseload impact is zero.

**97-12** Policy: The following budgeting changes were made:

1. Gross income test eliminated.
2. Standard work expense eliminated.
3. Need standard eliminated.

Implementation Date: 7/01/97

Caseload Impact: 0

Discussion: Change 1 results in a small increase in the caseload. Change 2 and 3 result in a small decrease in the caseload. The assumed combined impact of these changes is zero.

**97-13** Policy: The following asset changes were made:

1. The only assets considered for eligibility are cash, investments, retirement funds and trusts.
2. Lump sums are considered assets and not income.
3. Sale of homestead funds are excluded for 12 months instead of 6 months.

Implementation Date: 7/01/97

Caseload Impact:

- +500 cases per year.
- Based on these numbers the net caseload impact is a monthly average of +84.

Discussion: These policy changes were made for program simplicity. The number of applicants/recipients affected is very limited. The estimated caseload impact is a maximum of +500 cases per year.

## FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

All Families FY 2001

**97-14** Policy: The following income exclusions were added:

1. Child support refunds and reimbursements
2. Adoption subsidies
3. Earnings of students under age 18

Implementation Date: 7/01/97

Caseload Impact: 0

Discussion: These circumstances occur infrequently for cash assistance applicants/recipients and have no measurable impact on the caseload. The changes were made to simplify program administration and eligibility determination. The estimated caseload impact is zero.

**97-15** Policy: Case closure after 4 months of child support disqualification.

Implementation Date: 7/01/97

Caseload Impact:

- There were 110 closures in FY 1998 and 390 closures in FY 1999 and 319 closures in FY 2000.
- Based on these numbers the net impact is -30.

Discussion: Caseload impact takes into account closure that started in FY 1998 (there is no FY 1997 impact). The impact assumes 75% of the case closures remain off cash assistance and 25% return.

## FY 1998

**98-1** Policy: School attendance is required of teens and minor parents. The case is closed if there are no other children on the FIP case or the member is removed for not attending school.

Implementation Date: 10/01/97

Caseload Impact:

- There were 52 closures in FY 1998 and 34 closures in FY 1999 and 18 closures in FY 2000.
- Based on these numbers the net impact is -5.

Discussion: This group is very small and is a subset of minor parent policy. Assume that 100% of these cases remain closed.

## FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

All Families FY 2001

- 98-2**     Policy: Drug felons in violation of parole are disqualified.  
Implementation Date: 10/01/97  
Caseload Impact:
- There were 27 closures in FY 1998, 18 closures in FY 1999 and 16 closures in FY 2000.
  - Based on these numbers the net impact is -3.
- Discussion: This group is small and we assume 100% stay closed.
- 98-3**     Policy: Monthly reporting is discontinued. Clients are no longer required to turn in a monthly report of earnings.  
Implementation Date: 11/01/97  
Caseload Impact: 0  
Discussion: When monthly reporting was discontinued other procedures were put in place to address these issues such as prospective budgeting, case managers, home calls and referrals to Work First.
- 98-4**     Policy: FIP penalty for refusing employment is ineligibility for one month.  
Implementation Date: 11/01/97  
Caseload Impact: 0. See discussion below.  
Discussion: The effect of this change is included with closures for failure to participate during the first 2 months of eligibility which causes case closure.
- 98-5**     Policy: Minor parents who fail to attend orientation are disqualified. Cases are closed or applications are denied.  
Implementation Date: 11/01/97  
Caseload Impact: 0. See discussion below.  
Discussion: There are very few minor parents and the number of closures or denials will be included in failure to attend orientation denials or closures.
- 98-6**     Policy: Amerasians and Cuban/Haitian entrants are now eligible for FIP retroactive to 10/01/96 without the 5 year disqualification period.

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All Families FY 2001

Implementation Date: 11/01/97

Caseload Impact: 0

Discussion: Michigan does not have a measurable number of recipients in this group.

**98-7**

Policy: Child support arrearages are now an allowable deduction from income for FIP.

Implementation Date: 4/01/98

Caseload Impact: 0

Discussion: The number of FIP recipients paying child support is negligible. There is no caseload impact as a result of this change.

### FY 1999

**99-1**

Policy: Non-compliance without good cause in first 2 months of FIP now results in closure immediately following timely notice. Previously, no good cause determination was made and the closure could not take effect until the end of the second month.

Implementation Date: 10/01/98

Caseload Impact: 0

Discussion: This policy does not result in new closures but causes cases to close sooner. These numbers are being counted in closures to employment sanctions.

**99-2**

Policy: Status of eligible aliens has been expanded. A member of a federally recognized American Indian tribe or alien who has been battered or subject to extreme cruelty by a U.S. citizen or legal permanent resident spouse may be eligible for FIP.

Implementation Date: 11/01/98

Caseload Impact: 0

Discussion: The number of new clients/recipients is not measurable. The caseload impact of this change is insignificant.

**99-3**

Policy: Teens and minor parents can now meet participation requirements through 20 hours a week in employment-related education.

Implementation Date: 4/01/99

## FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

All Families FY 2001

Caseload Impact: 0

Discussion: This policy creates no new eligibles but expands the way recipients can meet participation requirements. This policy recognizes the priority of education and allows flexibility in complying with requirements. It does not affect the caseload size.

**99-4** Policy: Individual Development Accounts (IDA) are excluded when calculating budgets for FIP eligibility.

Implementation Date: 8/01/99

Caseload Impact: 0

Discussion: The number of cash assistance recipients able to invest in an IDA is assumed to be insignificant. The caseload impact of this change is zero.

**99-5** Policy: Expanded options for education and training programs. Work First (WF) participants can meet participation through employment, classes, study time or a combination of these. WF participants may be in vocational education full time. FIP recipients may participate full-time in an internship, practicum or clinical experience to satisfy the work requirement.

Implementation Date: 8/01/99

Caseload Impact: 0

Discussion: This policy does not cause ineligibility or create new eligibles. It expands the options for FIP recipients to meet participation requirements.

## FY 2000

**2000-1** Policy: Cross match of FIP recipients and incarcerated individuals.

Implementation Date: 10/01/99

Caseload Impact: 0

Discussion: The number of matches of incarcerated individuals who are FIP recipients is insignificant (15 cases in 9 months). The caseload impact of this change is zero.

## FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

All Families FY 2001

- 2000-2** Policy: Federal work participation requirement is increased to 30 hours per week for single parent FIP families.  
Implementation Date: 10/01/99  
Caseload Impact: 0  
Discussion: Existing policy requires FIP recipients to accept employment of up to 40 hours per week. The caseload impact of this change is zero.
- 2000-3** Policy: Negative Action Code 407 was added (case closure for failure to accept suitable employment).  
Implementation Date: 10/01/99  
Caseload Impact: -67  
Discussion: There were 1,615 closures for this reason in FY 2000. The caseload impact assumes that 50% will comply and return to assistance.
- 2000-4** Policy: Drug testing pilot in selected counties.  
Implementation Date: 10/01/99  
Caseload Impact: 0  
Discussion: This policy is under court injunction. It was suspended shortly after implementation. There was no caseload impact during the brief time it was in effect.
- 2000-5** Policy: Payment standard for FIP/RAP cases was raised \$3.00 per person for cases where the adult is unable to work and for children in child only cases.  
Implementation Date: 10/01/99  
Caseload Impact: 0  
Discussion: These cases have no other source of income (*e.g.*, they are disabled) or consist of children and no eligible adults. Increasing the payment standard by \$3 per person will cause no new eligibles. The caseload impact of this change is zero.

## FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

All Families FY 2001

- 2000-6** Policy: Temporary ineligibility periods are now limited to one month for FIP, SDA and Food Stamps.  
Implementation Date: 1/01/2000  
Caseload Impact: 0  
Discussion: This change reduces the period of temporary ineligibility for FIP from 60 days to 30 days when a recipient has a temporary excess of income or assets. No new cases are made ineligible. The caseload impact is insignificant.
- 2000-7** Policy: Assets of domestic violence victims may be excluded from FIP eligibility for three months.  
Implementation Date: 1/01/2000  
Caseload Impact: 0  
Discussion: This change has no measurable impact on the caseload. An insignificant number of new cases are made eligible for a short period of time.
- 2000-8** Policy: Minor Parents not attending or completed high school must participate in Work First.  
Implementation Date: 4/01/2000  
Caseload Impact: 0  
Discussion: This change gives minor parents a way (*i.e.*, Work First Participation) to maintain FIP eligibility when they are not in school. An insignificant number of recipients continue their eligibility due to this change.
- 2000-9** Policy: In a 2-parent family, either parent can end a non-compliance penalty by fulfilling the family's total work requirement.  
Implementation Date: 4/01/2000  
Caseload Impact: 0  
Discussion: This change will allow a very small number of two-parent families to end their non-compliance penalty and continue FIP eligibility. The caseload impact is insignificant.
- 2000-10** Policy: Electronic Benefits Transfer piloted in Jackson County.  
Implementation Date: 6/01/2000  
Caseload Impact: 0  
Discussion: This is a federally mandated change. It has no impact on eligibility for FIP. There is no caseload impact.



## All Families FY 2001

[illegible]

## FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

All Families FY 2001

Key: D = Denials C = Closures O = Others

Notes: The numbers above represent the reduced amounts according to the following:

- 97- 2: Denials 25%, Closures 50%
- 97- 3: Denials and closures 100%
- 97- 5: Closures 100%
- 97- 7: Denials 25%
- 97-10: Closures 25%
- 97-15: Closures 75%
- 98 - 1: Closures 100%
- 98 - 2: Closures 100%
- 00- 3: Closures 50%

\* *Changes in FY 1996 had no effect.*

Where data is available, numbers of closures for 2-parent families are displayed, but the proportionate split for 2-parent families was used in the final calculation.

### Closure Codes:

- 025 Failed to attend orientation (97-2)
- 031 Minor parent refused to attend school (98-1)
- 038 Fugitive felon in the home (97-5)
- 048 Parole/probation violator (98-2)
- 066 Failed to cooperate paternity/support for four consecutive months (97-15)
- 073 Minor parent refused to live with parent/guardian (97-3)
- 094 Intentional Program Violation (97-8)
- 405 Failure to participate in Work First during the first two months of eligibility (97-10)
- 407 Refused suitable employment without good cause (00-3)

**FORM ACF-202 – TANF CASELOAD REDUCTION REPORT**

All Families FY 2001

State **MICHIGAN - ALL FAMILIES** Fiscal Year 2001

**PART IV -- Certification**

I certify that we have provided the public an appropriate opportunity to comment on the estimates and methodology used to complete this report and considered those comments in completing it. Further, I certify that this report incorporates all reductions in the caseload resulting from State eligibility changes and changes in Federal requirements since Fiscal Year 1995. (A summary of public comments is attached.)

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(signature)

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Douglas E. Howard

(name)

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Director

(title)

***Summary of Public Comment***